

# Utah's Travel Council



## 2000-2002 Marketing Plan



## Section I



# Utah's Travel Council



# What We Do

Our role is to make Utah a better place to live by increasing the economic contribution of tourism. In other words, Utah's Travel Council is here to help improve Utah's quality life by helping you build your business within the tourism industry. We're here for you. We are dedicated to helping your business flourish as a vital part of the growing tourism industry that contributes over \$4 billion to our economy each year. How do we do that? By fulfilling three basic functions:

## Facilitator

Utah's Travel Council facilitates tourism by creating awareness of Utah among prospective visitors. We try to entice people to our state by creating communication programs that tell prospective visitors the most relevant and compelling information they want and need to make a decision about where to spend their leisure time.

## Convener

Utah's Travel Council helps build consensus among a wide variety of people and organizations in our state by bringing you together with others so that we can all help promote tourism and economic growth in Utah. We help convene, or bring together, people and businesses from within the state and on a national and international basis to help create synergistic programs that will raise tourism development to a higher level.

Our goal is to create a dialogue between the state tourism office and the participating communities and businesses that can all mutually benefit from our programs.

## **Scanner**

As we embark on the dawn of a new millennium amidst an information revolution, Utah's Travel Council accepts the challenging role of scanning, managing and disseminating key insights and learning from the deluge of articles, research and other media published on tourism each day. We aspire to provide you with the most important, relevant and usable information on a timely basis.

# **How This Marketing Plan Can Benefit You**

In our efforts to improve the quality of life in our state by increasing the economic contribution of tourism, Utah's Travel Council (UTC) has developed a comprehensive marketing plan designed to inform, enlighten and excite you.

This document is meant to be a "living entity." A user-friendly guide that will continue to grow and evolve through time. It is our goal to continue to facilitate an ongoing dialogue in order to grow the tourism business in Utah.

## **The UTC Tree**

You may recall that a few years ago your UTC created an analogy to help define our role and what we strive to do for you.

## **The Analogy Likened The UTC To A Tree.**

As with any strong tree, our analogy must start at the roots or foundation of support. The roots of a tree spread far and wide to assure an adequate stream of nourishment to keep the tree alive and healthy. The roots of the UTC run deep to assure an adequate funding stream is available so applied resources can keep pace with development opportunities and the rising costs of marketing communications. To accomplish this goal we seek innovative ways to fund our programs including performance-based funding, public/private partnerships and increased legislative support.

The trunk of the UTC tree is the Utah Office of Tourism Development, the central support that helps ensure growth to the many branches that expand its reach. Our trunk is our mission, “to make Utah a better place to live by increasing the economic contribution of tourism.”

From that single-minded idea grows four primary branches, or strategic vision statements, to accomplish our mission:

- First, develop and maintain a comprehensive marketing plan.
- Second, develop high-quality infrastructure, destination-oriented products and attractions.
- Third, educate a critical audience on the value and benefits of destination tourism, the role and importance of hospitality and the opportunities for intrastate travel and recreation.
- Fourth, base strategic decisions, program design and outcome measurement on research and quality data management.

From each of the four primary branches springs forth a multitude of smaller branches or actions and programs all seeking to spread out and nourish the tree through a variety of ways spread far and wide, but all firmly anchored in the mature branches attached to the trunk. Some of these include:

- Positioning the Utah! Brand
- Designing consumer communications programs that accentuate Utah’s unique qualities
- Create opportunities to maximize year-round visitation

- Support the development of destination products
- Advocate the responsible use of natural resources
- Educate tourism development partners and the general citizenry on the economic, social, and cultural benefits of destination tourism
- Support the efforts of local tourism entities to encourage intrastate travel and recreation
- Conduct research to provide a background for formulating program goals as well as a mechanism for measuring program effectiveness.

The branches reach far and wide and they're all firmly attached to the trunk, or our mission, to make Utah a better place to live by increasing the economic contribution of tourism.

# Utah's Travel Council Staff

## Strategic Development

### **Dean Reeder**

Director

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*Overall management and responsibility for the Division. Retained program functions include policy, strategy, and advertising*

### **Elaine Watts**

Administrative Secretary

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*Personal secretary and assistant to the director*

### **Jon Kemp**

Research Coordinator

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*Economic impact analysis, market research and tourism statistics for the division*

### **Stacey Clark**

Planning Coordinator

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*Assistant to the director for development, coordination, and updates of strategic plan*

### **Stan Nance/Rose Nolton**

Finance/Accounting

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*Financial and accounting procedures, records and operations*



## **Instate Development**

### **J. Spencer Kinard**

Assistant Director - Internal

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*Responsible for instate operations including media, publications, information services, distribution, and cooperative programs*

### **Margaret Godfrey**

Interagency Cooperative Programs

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*Coordinator and manager of cooperative programs including SuperHost, Tourism Economic Development Conference, Scenic Byways, Welcome Centers, Travel Regions*

### **Tracie Cayford**

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*News releases, radio and television spokesperson, calendar of events, public relations*

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*Printing, contracts, slides, photos, and videos*

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Publications/Editorial

*Writer and editor for Utah Travel Guide, brochures and other publications*

### **Michael Whitney**

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*Provide assistance and information about Utah to journalists now through the 2002 Olympics and thereby enhance Utah's image through media exposure*

### **Sheri Bintz**

Information Services

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## External Development

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### **Ken Kraus**

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*Media coordination and materials for marketing efforts*

### **Diane Wilson**

Secretary

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*Secretary to assistant director-external, and international marketing assistant*

## Staff

### **Kathleen Mathie**

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*Business-related information and call direction for telephone and walk-in clients*

### **Gerry Pond**

Distribution

538-1381

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*Warehouse inventories, deliveries, mail and supplies*

### **Flo Johnson**

Office Technician (Mail)

538-1380

*Preparation of fulfillment materials for mailing and shipping*

## Section II



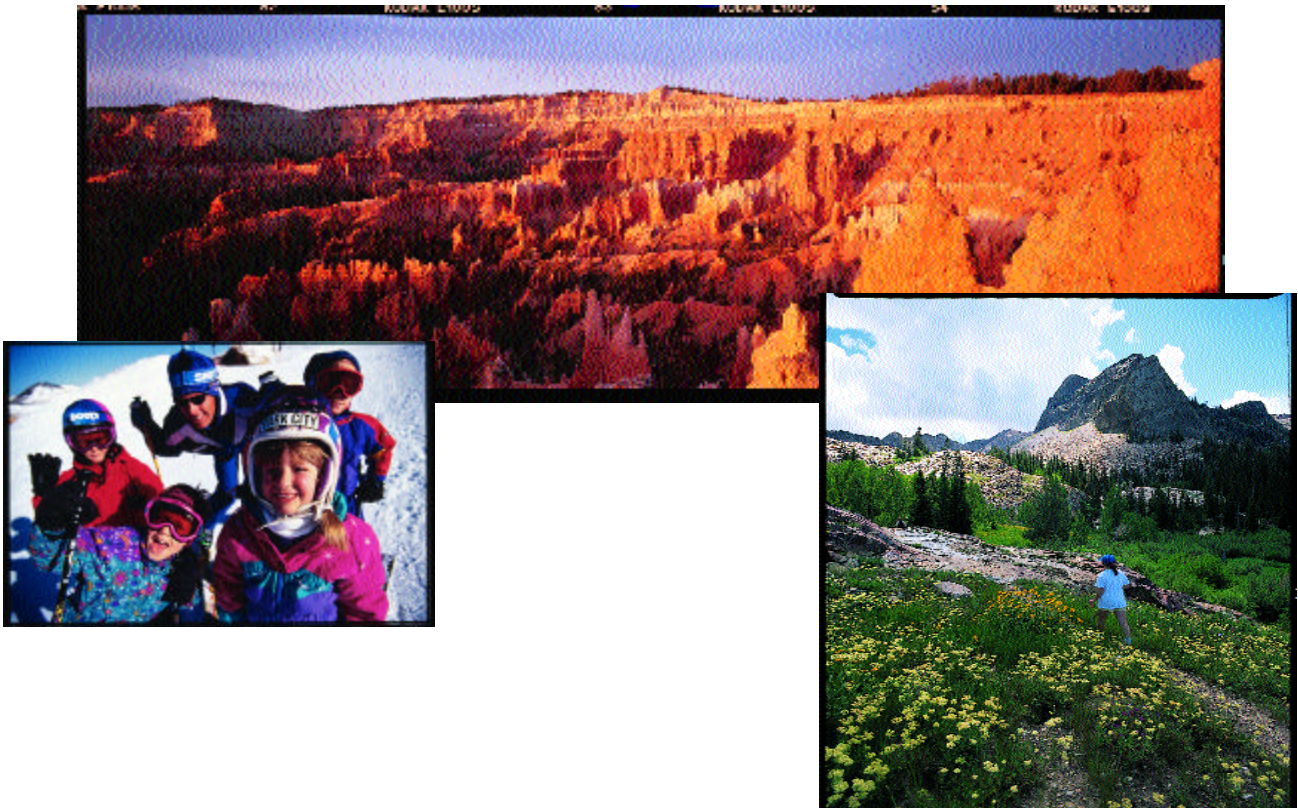
# Situation Analysis



**"Our most unique feature is our diversity."**

## **What Makes Utah Unique?**


What's most unique about Utah is our diversity. We offer scenic beauty that ranges from red rock canyons to alpine landscapes. This includes five national parks, seven national monuments, two national recreation areas, a national historic site, forty-five state parks and millions of acres of forests, deserts and grasslands. Our diversity is not only in the landscape but also the activities and culture we offer our visitors. Visitors may enjoy world-class skiing at our fourteen ski resorts; numerous annual festivals and celebrations recognizing specific cultural or historic events; museums, art galleries and theatres scattered throughout the state; sporting venues allowing spectators to enjoy a wide variety of athletic events and an extensive highway system featuring many scenic byways and instructional self-guided tours.



Visitor Profile - 1998 Domestic, Non-Resident Overnight Visitors	
Consumer Profile	Dominant Segments
Age	35-54 Years Old
Household Income	\$50,000 - \$74,999
Party Composition	Families/Single Adults
Transportation	Motor Vehicle
Accommodations	Hotel/Motel
Average Length of Stay	3.6 Nights
Average Spending	\$87 Per-Person-Per-Day
SOURCE: D.K. Shifflet & Associates, Ltd. 1998 DIRECTIONS® Data	

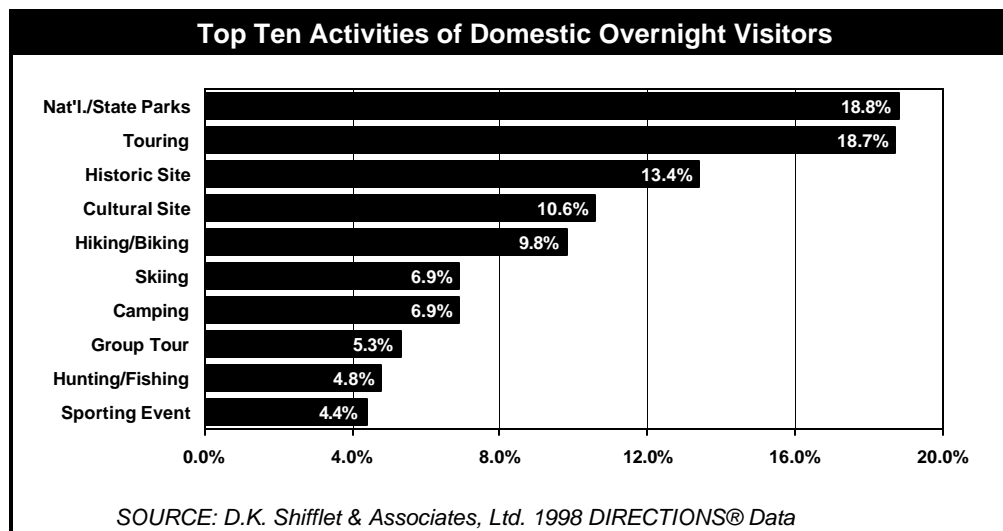
## Our Visitors - Who They Are – How They Live - “Why Utah?”

Our most common visitor to Utah is baby boomer families in the middle to upper class from the western United States who are well-educated and employed. Over 70% of Utah’s visitors arrive from the western United States. The majority travel by motor vehicle during the summer months. California is the most common state of origin representing approximately one fourth of all non-resident overnight visitors. Border states Nevada, Idaho, Colorado and Arizona are also significant markets. Not surprisingly, Los Angeles is the top market area among Utah travelers. Other top markets include Las Vegas, Phoenix, Idaho Falls/Pocatello, Denver, Portland and the San Francisco Bay Area.

Top Origin States and Designated Market Areas				
Los Angeles	18%	Salt Lake City	3%	
Las Vegas	8%	San Diego	3%	
Phoenix	5%	Denver	4%	
Idaho Falls - Pocatello	5%	Portland	4%	
San Francisco Bay Area	3%			
SOURCE: D.K. Shifflet & Associates, Ltd. 1998 DIRECTIONS® Data				

**“Our non-resident visitors stay on average 3.6 nights in Utah and spend approximately \$87 per person per day.”**

The primary purpose of travel to Utah is for leisure purposes. A third of leisure travelers come to Utah to visit friends and family. Another fourth come to enjoy a general vacation. Less common are visitors attending a special event, enjoying a getaway weekend or for some other personal reason. Overall, leisure travel represents 80% of domestic, non-resident overnight visitation. Business purposes, whether convention activity, sales or consulting jobs, seminars, training, group meetings, or



other business activity, comprise 20% of the market.

Most overnight visitors to Utah participate in some type of outdoor recreation activity.

The most popular activities among visitors to the state were visiting a national or state park and touring (sightseeing). Also popular were historic sites, cultural sites, hiking and biking, camping and skiing. Compared to national averages, Utah attracts more visitors who participate in soft adventure and outdoor recreation activities. Utah

exceeds the national average in national and state park visitation and participation in hiking and biking, camping, skiing, hunting and fishing, and sailing and boating.

## **International Travelers to Utah**

International travel to Utah is expected to be one of the fastest growing traveler segments over the next several years. Currently, international visitors account for nearly 5% of total non-resident visitors to the state. In general, international travelers are sensitive to the economic conditions in their home country. International travel to Utah was significantly impacted by the Asian economic crisis and the repercussions that impacted other nations' economies worldwide. Arrivals from almost every region declined in 1997 and 1998. As economic conditions improved, so did the number of international visitors, rebounding significantly in 1999 to nearly 700,000 international visitors.

**“Recovering international economies and improving exchange rates should bolster international travel to Utah.”**

Another factor influencing international travel is the exchange rate. The relative strength of the U.S. dollar has prompted some travelers to choose other destinations or alter their spending patterns while traveling in order to avoid the costly impacts of an unfavorable exchange rate.

Nonetheless, international travel for the first few years of the new millennium looks favorable. According to major economic forecasting organizations like the International Monetary Fund (IMF), OECD, Eurostat and WEFA, world economic prospects for the next few years are encouraging. WEFA forecasts economic growth in

most of Utah's major international markets including, Germany, the United Kingdom, France, Japan and Italy. Growth is forecasted to slow somewhat in Canada, but travel should increase as the unfavorable U.S.-Canadian exchange rate improves.

International Economic Conditions 2001-2002						
Country	2001 (Percent Change)			2002 (Percent Change)		
	Real GDP	Inflation	Unemp. Rate	Real GDP	Inflation	Unemp. Rate
United States	3.6	2.5	4.3	3.4	2.4	4.4
Canada	3.2	2.2	6.6	3.0	1.9	6.5
Germany	3.3	1.6	9.2	2.6	1.8	8.6
France	3.2	1.3	8.9	2.6	1.6	8.4
United Kingdom	2.6	2.6	3.6	2.6	1.6	3.7
Japan	3.1	0.7	4.4	3.1	1.1	3.9
Italy	2.8	1.6	10.3	2.4	1.9	9.7

*SOURCE: WEFA, Inc.*

Attracting visitors from international markets to Utah represents an opportunity. International travelers are drawn to Utah's national parks and other public lands as well as to the large number of ethnic, cultural and historic resources within the state (including American Indian and Western heritage attractions). International travelers represent an important segment of all visitors to Utah. They are typically more affluent, stay longer and are more likely to participate in spending activities than their U.S. counterparts.

Domestic vs. Overseas Travelers		
Traveler Characteristic	U.S. Travelers	Overseas Travelers
Household Income	\$58,300	\$72,800
Avg. Per-Day Spending	\$87	\$81*
Avg. Length of Stay	3.6 Nights	5.7 Nights
Purpose of Trip	80% Leisure	81% Leisure
Avg. Travel Party Size	2.7 Persons	1.9 Persons
Party Composition	68% Adults Only	90% Adults Only
Accommodations	50% Hotels/Motels	76% Hotels/Motels
Leisure Activities	19% Nat'l./State Parks	78% Nat'l./State Parks

*\* Per-day spending figures are greatly influenced by the exchange rate*  
*SOURCE: Domestic - D.K. Shifflet & Associates, Ltd. DIRECTIONS® data*  
*International - U.S. Department of Commerce, Tourism Industries, 1997-99 Analysis*



Utah's top international market is Canada, representing about one-fourth of total international visitation. Western Europe and Japan are also important sources of overseas visitation. Utah's top overseas markets are Germany, France, the United Kingdom, Benelux (Netherlands and Belgium), Japan and Italy. The Division continues to assess market conditions and examine opportunities in other emerging markets, anticipating eventual growth in arrivals from countries in South America (Brazil and Argentina), Scandinavia, Asia (Korea, Taiwan, China) and Australia.

International travelers are increasingly using Las Vegas as their gateway to Utah. McCarran International Airport accommodated more than 3,500 international flights in 2000, most of them from Utah's top international markets – Canada, Japan and the U.K.

From 1997 to 1999, more than half (53%) of Utah's international tourists also visited Las Vegas. But only 10% of all the international visitors to Las Vegas came to Utah. Tapping that large and fast-growing market represents a growth opportunity for Utah's international tourism.

## **International Market Summaries**

### **Canada**

Canada represents the single largest international market for Utah. With an estimated 170,000 arrivals to Utah in 1999, Canadian visitors to the state account for a fourth of all international travelers. Canadian travelers are very sensitive to exchange rate fluctuations and the recent strength of the U.S. dollar has dampened Canadian travel to the U.S. However, continued low unemployment and an improving exchange rate should increase Canadian visitation to the U.S. and to Utah over the next few

years. The same demographic and technology trends affecting the domestic market are also affecting the Canadian market. Canadian visitors average 3.8 nights within Utah and spend on average \$55 per visitor per day.

## **Germany**

Germany represents Utah's largest overseas market, with estimated arrivals approaching 115,000 in 1999. Germans are the world's most active international travelers, boasting more than one trip per capita for the entire population. The German economy has been sluggish over the past few years, and real GDP growth improved to only 1.6% in 1999. However, positive indicators such as low inflation, declining unemployment and improving labor markets should help spur the economy to growth rates between 2.5% and 3.5% in the short term. In addition to a sluggish economy, four consecutive years of unfavorable exchange rate movement between the mark and the dollar has dampened U.S. travel prospects. Nevertheless, with improving economic conditions and over 300 non-stop flights from German cities to U.S. cities, travel to the U.S. should improve. German travelers are traditionally the most prolific users of information among all European markets. U.S. market strengths among German travelers are also indicative of Utah's market strengths: outstanding scenery (especially national and state parks), value for money spent, opportunity to increase knowledge and easy accessibility of information for travel planning. German travelers to Utah spend on average \$78 per visitor per day and remain 4.4 nights within the state.

## **France**

France represents Utah's second largest overseas market and was responsible for attracting an estimated 80,000 visitors to the state in 1999. French travelers expect destinations to establish a reputation for service and reliability and, consequently, new destinations are often viewed skeptically. Utah's image in France is reliant on its association with a high concentration of national parks and other scenic attractions. The upward trend in French visitation to Utah is higher than the upward trend among total U.S. arrivals, suggesting Utah is gaining market share among French visitors to the U.S. Economic forecasts in France are optimistic for increased travel; highlighted by declining unemployment, stable inflation and rising consumer confidence. French travelers are less influenced by exchange rate fluctuations than other groups. The average length of stay among French visitors to Utah is 3.0 nights. French travelers spend on average \$71 per visitor per day.

## **United Kingdom**

The U.K. remains one of Utah's top international markets. Over the past several years, estimated annual arrivals from the U.K. have remained around 50,000. The biggest advantage for the traveler from the U.K. is the familiarity with the language and confidence in being able to travel independently. Most travelers to Utah from the U.K. are repeat visitors who have previous U.S. travel experience. Consequently, many Brits look to Utah as a new and unique destination. In addition, the U.K. represents Utah's largest international ski market. Given the relative stability of the exchange rate in recent years, currency fluctuations in the U.K. are less of a factor in this market than elsewhere in Europe. On average, visitors from the U.K. stay considerably longer in

Utah than other visitors to the state (9.7 nights vs. 5.7 nights). The average daily expenditure per visitor from the U.K. is \$55.

## **Japan**

Japan represents Utah's fastest growing international market. Despite economic difficulty in recent years, travel from Japan has increased by 170% since 1992.

Estimated arrivals in 1999 increased to nearly 40,000 after declining in the wake of the Asian financial crisis. As Japan's economy continues its slow recovery, it is expected that visitation to Utah will resume its upward growth characteristic of the 1990s. The business traveler, comprising nearly 35% of all Utah arrivals, represents an important segment among Japanese travelers to Utah. Additional segments that are receiving attention are young adult women and mature. Both segments represent future opportunities. Japanese travelers are traditionally the highest spenders among all international markets, spending on average \$141 per visitor per day. However, trips from Japan tend to be shorter than European vacations. The average length of stay in Utah among Japanese travelers is 4.6 nights, compared to the average of 5.7 nights for all overseas travelers

## **The Benelux Countries (Belgium, Netherlands, Luxembourg)**

The Benelux Countries represent an estimated 40,000 annual visits to Utah each year, placing them among Utah's top international markets. Citizens of the Benelux countries receive an average of 4-6 weeks of vacation time each year as well as 13 full months of salary, enabling them to plan for nearly any type of vacation. Benelux markets are price sensitive and currency fluctuations do influence international travel

decisions. Utah enjoys strong identity factors in the Benelux markets for its vast expanses of scenic landscapes, wild rivers and national parks. Winter sports travel, particularly among the Dutch, represents a great potential for additional product development. Visitors from the Benelux countries spend on average \$74 per visitor per day and remain in Utah approximately 4.4 nights.

## **Italy**

Italy is one of Utah's fastest growing European markets. The Italian traveler has shown a fascination with the western U.S., with three Western states among the top six most popular U.S. destinations. The combination of large cities, national parks, and Western and American Indian sites are a popular attraction for the independent-minded Italian traveler. Italians generally arrive as free, independent travelers, often on a 15-day self-guided drive tour. They are consistently among the highest spenders of any group, averaging \$93 per visitor per day. Italians generally spend less time in the U.S. than other European markets although they visit the same number of destinations. Consequently, the time the Italian traveler spends in each destination is less than the time spent by travelers from other markets. On average, Italian travelers spends 2.3 nights in Utah.

## **Switzerland**

With the highest per-capita income in the world, the Swiss travel market is remarkably resilient to currency fluctuations and has remained a steady international market for Utah, with estimated annual arrivals of over 20,000. English is widely

understood, eliminating language barriers and permitting Swiss visitors to travel independently and often “off the beaten path.” Swiss travelers are willing to spend, with one of the highest average daily expenditures (\$116 per visitor per day) of any international market. Swiss travel patterns are similar to Italians, and the average stay in Utah lasts 2.5 nights.

## How Much Our Visitors Spend In Utah

In 1999, an estimated 18.2 million non-resident travelers visited the state of Utah for business and/or leisure purposes, an increase of just over 2% from 1998. These visitors spent an estimated \$4.2 billion, generating \$336 million in state and local tax revenues. Growth in visitor spending has outpaced growth in visitor arrivals the past several years. Travel and tourism related industries provided jobs directly or indirectly for an estimated 119,500 persons in 1999, representing a slight increase over 1998. Tourism and travel-related jobs accounted for nearly one in nine jobs throughout the state.

Economic Impacts of Tourism in Utah			
	1999	1998	% Change
Visitor Arrivals	18.2 Million	17.8 Million	2.2%
Domestic	17.5 Million	17.2 Million	1.7%
International	700,000	640,000	9.4%
Visitor Spending	\$4,200 Million	\$4,100 Million	2.4%
State and Local Tax Revenues	\$336 Million	\$328 Million	2.4%
State Tax Revenues	\$249 Million	\$243 Million	
Local Tax Revenues	\$87 Million	\$85 Million	
Tourism Related Jobs	119,500	117,000	2.1%
Direct Jobs	67,000	65,500	
Indirect Jobs	52,500	51,500	

## How Does Utah Compare? – “Why Visit Utah?”

The challenge to Utah’s competitive positioning remains differentiating Utah’s

Competition Analysis for Mountain States						
State	State Travel Office		Non-Resident Overnight Travelers			
	Total Budget FY 2000	1997 Expenditure Mkt. Share	1998 Avg. Daily Spending	1998 Avg. Length of Stay	1998 Primary Activity	1998 Top Origin Market
Arizona	\$8.85	1.8%	\$112	4.2 Nights	Touring	California
Colorado	\$7.30	1.8%	\$107	4.2 Nights	Touring	Texas
Idaho	\$5.31	0.4%	\$71	3.0 Nights	Touring	Utah
Montana	\$6.84	0.4%	\$83	3.5 Nights	Nat'l./State Parks	Washington
Nevada	\$9.38	3.9%	\$140	3.1 Nights	Gambling	California
New Mexico	\$12.87	0.7%	\$98	3.4 Nights	Touring	Texas
Utah	\$5.63	0.8%	\$87	3.6 Nights	Nat'l./State Parks	California
Wyoming	\$4.41	0.3%	\$89	3.0 Nights	Nat'l./State Parks	Utah

SOURCE: State Travel Office Information from TIA's "2000 Survey of State Tourism Offices" and the "1997 Impact of Travel on State Economies." Traveler profile information from D.K. Shifflet & Associates, LTd. 1998 DIRECTIONS® data.

image from those of other mountain states. Our job is to increase potential and current visitors’ familiarity with Utah. Many Western states rely on similar tourism products to attract visitors. Natural attractions and the outdoor recreation activities that accompany those attractions are the most important element to each state’s tourism product (except Nevada). Utah visitors stay on average 3.6 nights, slightly below the average stay of 4.2 nights in Colorado and Arizona but above that of New Mexico, Wyoming, Nevada and Montana.

Smaller budgets make it hard for Utah to compete with other major Western states in the advertising arena. Utah’s total tourism budget for FY 2000 of \$5.6 million ranks sixth of eight Western states, and would be lower if not for the one-time supplemental appropriations given to the Utah Travel Council by the state legislature in each of the past two years. Nevertheless, Utah’s expenditure market share ranks fourth of eight Western states, behind Nevada, Colorado and Arizona. The surprising disparity

**“A ‘sense of possibility’ has encouraged record numbers of travelers seeking new and unique experiences.”**

between Utah’s budget allocation and expenditure market share can be at least partially attributed to the high quality of the Utah tourism product.

## **Tourism Trends and Activities**

The economic fundamentals underlying the U.S. travel market remain encouraging. The U.S. economy continues its record-breaking expansion, unemployment and inflation are relatively low, real income gains and wage growth has performed well, and consumer confidence remains high. Although erratic this year, strong gains in the stock market over the past few years have created a “wealth effect” in consumer spending. These circumstances have created what has been termed a “sense of possibility,” encouraging record numbers of leisure travelers to seek out and enjoy new and exciting vacations that offer unique and enriching experiences. Although most people want to take a leisure vacation, more and more travelers are time-sensitive. As a result, more trips are planned as weekend getaways to destinations located closer to home. For Utah, trends towards shorter trips to destinations closer to home present a challenge, particularly to the drive market. Another consequence of time sensitivity is a movement towards simplification. More trips are planned impulsively or over the Internet. Technology has revolutionized the travel industry, empowering the consumer with information. Travel planners increasingly look for personalized service, convenience and value when determining their vacation destination.

We must also recognize the diversity inherent in consumer tastes and preferences. Destinations must accommodate a growing number of activities and events in order to maintain a market presence. Among the fastest growing segments



that may positively impact Utah tourism are adventure travel, heritage and cultural tourism, eco-tourism, nature tourism and family travel. Utah is well positioned to attract visitors in each of these segments. Among those segments, the largest and most important in terms of Utah travelers is the adventure traveler. Given the large number of Utah visitors who participate in outdoor recreation activities, a closer look at trends within that segment reveals some opportunities as well as some concerns.

Among Utah visitors, the most popular outdoor activities include hiking, biking, skiing, camping, hunting, fishing and golfing. National trends indicate that bird

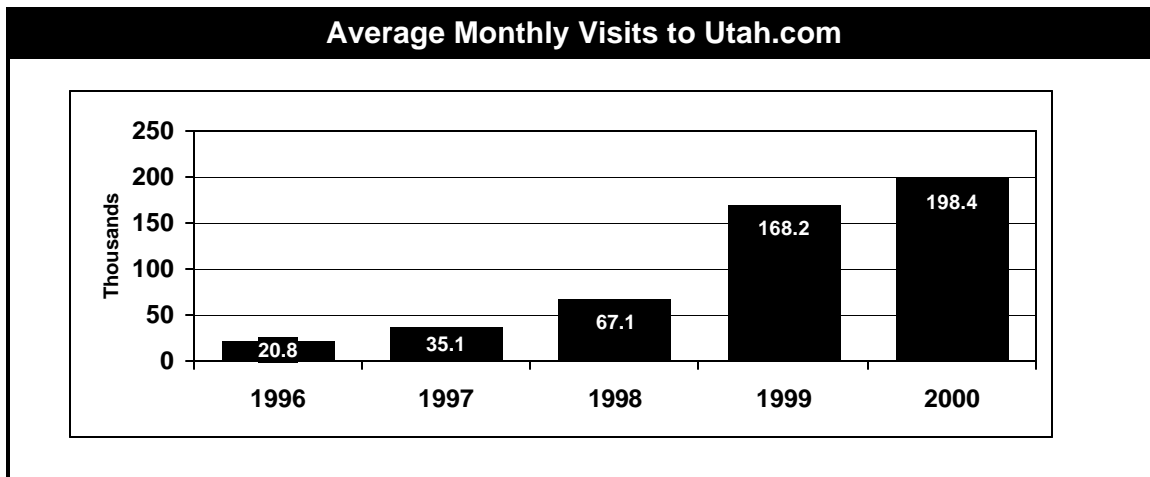
<b>Outdoor Recreation Trends 1982 - 2000</b>					
<b>Fastest Growing Activities</b>			<b>Activities Adding the Most Participants</b>		
<b>Activity</b>	<b>No. in 2000</b>	<b>% Growth</b>	<b>Activity</b>	<b>Growth</b>	<b>No. in 2000</b>
Bird Watching	71.2 Mil.	235.9%	Walking	85.4 Mil.	179.0 Mil.
Hiking	73.1 Mil.	195.9%	Bird Watching	50.0 Mil.	71.2 Mil.
Backpacking	23.4 Mil.	165.9%	Hiking	48.4 Mil.	73.1 Mil.
Snow-mobiling	66.9 Mil.	107.5%	Swimming	36.4 Mil.	92.9 Mil.
Walking	179.0 Mil.	91.2%	Sightseeing	32.7 Mil.	114.0 Mil.
Off-road Driving	27.9 Mil.	89.2%	Picnicking	31.8 Mil.	116.6 Mil.
Primitive Camping	32.2 Mil.	81.9%	Bicycling	27.4 Mil.	83.9 Mil.
Developed Camping	52.8 Mil.	76.0%	Developed Camping	22.8 Mil.	52.8 Mil.
Downhill Skiing	17.7 Mil.	66.9%	Motor Boating	17.8 Mil.	51.4 Mil.
Swimming	78.1 Mil.	64.4%	Off-road Driving	17.3 Mil.	36.7 Mil.
<i>SOURCE: 2000 National Survey on Recreation and the Environment</i>					

watching, hiking (including backpacking), snow-mobiling, off-road driving, camping, biking (on-and off-road), and skiing and snowboarding have all increased in popularity since 1982. By contrast, some activity segments which showed declining popularity are of some concern. For example, the number of alpine skiers has begun to decline after enjoying rapid growth in previous decades. Other segments that showed little or no growth in the number of participants were fishing and hunting.

## **The Internet and Utah**

**“Technology has revolutionized the travel industry, empowering the consumer with information.”**

The Internet is rapidly becoming the preeminent source of travel information. In addition, greater numbers of travelers are looking to the Internet for purchases and bookings. Travelers tend to be computer savvy, with an estimated 66% of all travelers (90 million) currently using the Internet, up from 28% in 1997. Nearly 30% of all travelers currently book via the Internet, up nearly 200% over just two years ago. On-line travel market revenues are forecasted to surpass \$9 billion by the end of 2000, up from just \$2 billion in 1998. Among current travelers who use the Internet for travel planning or booking, 95% indicate they are either satisfied or extremely satisfied with their Internet travel services. Utah’s own experience with its consumer website, Utah.com, corroborates the excitement felt throughout the industry. Since 1997, the average number of monthly visits to theUtah.com website have increased by over 450%, from roughly 35,000 per month in 1997 to nearly 200,000 per month in 2000.



The paradigm for accessing and processing travel information is changing rapidly. Fewer travelers rely on 1-800 numbers and mail requests as more make use of the

variety of destination websites, travel portals, industry specific websites and search engines. As a result of the unique public/private partnership between the Utah Travel Council and Utah.com, travel planners have access to information that is quick, convenient and accurate, thus improving the service relationship between the *Utah!* Brand and the consumer.

Recently, the Internet has experienced growth checks and reality checks, most obviously demonstrated by the decline in Internet stock prices. Large-scale reorganization has given users and investors reason to doubt the Internet's validity. It is important to note, however, that accessing travel information remains one of the most popular uses of the Internet. Accordingly, Utah's Travel Council and utah.com, the state's official web site are moving forward with confidence in the importance of the Internet as a communications medium. Interactive databases and increased opportunities for links to utah.com and from utah.com to other sites are in the works.

## Section III



# Marketing Communications



## **Marketing Communications**

The Division of Travel Development's mission is to "make Utah a better place to live by increasing the economic contribution of tourism." Never before has the Division had a better opportunity to increase awareness of the *Utah!* Brand and increase visitation to the state.

## **Leveraging the Games**

The 2002 Olympic Winter Games provide that once-in-a-lifetime opportunity. Like Sydney and Australia in 2000, Salt Lake City and Utah in 2002 can reap the rewards of targeted global media attention. This singular opportunity mandates a higher-level approach to marketing communications in the lead-up to the Games. In line with Sydney's successful example, the Division will emphasize media outreach more than ever before.

## **Global Public Relations**

The Division has hired Hill and Knowlton (International Agency of the Year/1999) to increase global awareness of Utah as a desirable year-round travel destination and to increase tourism to the state before, during and after the 2002 Games.

The Division selected Hill and Knowlton through a detailed RFP (Request for Proposal) process. The firm has extensive global experience in travel and tourism, international public relations, branding and Olympic marketing.

Hill and Knowlton will boost Utah's profile through targeted coverage in top broadcast, print and Internet media in 2001-2002. That coverage will be developed through:

- Group, as well as independent, familiarization tours throughout the state
- A Utah news bureau utilizing press kits/releases, a digital press room, video B-roll and request fulfillment
- Ongoing contact with top consumer and travel trade media
- Targeted activities to promote specific media opportunities

The Hill and Knowlton public relations campaign will take the Division's previous national and international media outreach to new heights.

## **Strategic Alliances**

The New York City-based firm will also facilitate high-level strategic alliances – preferably with Olympic sponsors – to stretch the Division's marketing communications reach and budget.

## **Target Audiences**

Public relations efforts will target upscale, active destination-oriented adults aged 25-54 in the U.S. and in select international markets – Canada, Germany, France, U.K. and Italy. The Division and Hill and Knowlton will also investigate opportunities in emerging markets in Scandinavia and South America.

The Division will manage public relations in Japan through Salt Lake City- and Tokyo-based Fieldstar International, which has extensive trade and media contacts in that market.

## **Message**

Public relations and strategic alliances will position Utah as a desirable four-season destination for outdoor adventure, relaxation and rejuvenation, culture and heritage – all in unique settings. There will be strong emphasis on showing the visual

appeal of Utah’s landscapes and destinations, including but not limited to the state’s five national parks.

## Trade Development

That same message will be communicated in marketing Utah to the travel trade. Leveraging the Salt Lake Games provides a unique opportunity to increase awareness of Utah among tour operators new to the state. The Division will assist the various National Organizing Committees (NOC) and official Olympic ticket package Tour Operators with their packaged tour programs to Salt Lake City and other Utah destinations.

The Division will also participate in major domestic and international trade shows:

February	Rocky Mountain Symposium – International Market
March	ITB – German Market
May	TIA International Pow Wow – largest U.S. travel/trade show for international buyers
October	Trade Mission to Japan
November	National Tour Association – U.S./Domestic Group Travel Exchange
	World Travel Market – U.K. Market

The Division will explore opportunities to conduct trade missions to select international markets in Asia and Western Europe in conjunction with Hill and Knowlton’s targeted public relations opportunities.

## New Marketing Communications Tools

The Division will continue to produce new marketing communications materials to leverage the 2002 Games. Those introduced in 2000 include:

- **Utah! The Video** – a 14-minute overview of the state's landscapes, four-season outdoor adventure, tourism amenities, culture and heritage.
- A regularly updated **Photo CD** with 48 images of Utah landscapes, year-round outdoor adventure and Olympic venue cities – along with sample video B-roll excerpts.
- A 30-minute **B-roll tape** of unedited Utah video for television broadcasters and websites;
- **Destinations Utah!** – one page summaries identifying destination “clusters” within Utah to accelerate the development of statewide itineraries, especially in rural areas. Destination summaries will be available for consumer, trade and media access on the Internet and in Visitor Centers.
- The **Utah Media Center website** – [www.utahmediacenter.org](http://www.utahmediacenter.org) – is a resource for journalists around the world seeking information, images, story ideas and contact referrals.

These new materials augment the current **Travel Guide, Accommodations Guide, Utah! Unique in all the World Consumer Brochure** and the **2001 Utah Scenic Calendar**.

New marketing communications tools will continue to be developed and utilized in the lead-up to the 2002 Olympic Winter Games and beyond.



## **The Utah Media Center**

The Utah Media Center is a program designed to take advantage of the state's unique opportunity to leverage the 2002 Olympic Winter Games through media coverage, with the support from State Business Development, Salt Lake City, Provo, Ogden Chambers of Commerce and CVBs, Federal Land Management Agencies and commercial sponsors and providers.

The Media Center will provide information and images about Utah to media before, during and after the Olympics. The Media Center functions will be handled from Council Hall through December of 2001. From January through March of 2002, the center will operate from an approximately 30,000 square-foot site in or near downtown Salt Lake City.

## **Instate Communications**

A majority of the Utah Division of Travel Development's budget is dedicated to encouraging out- of-state residents to visit Utah. The exception is the instate communications program, which is designed to increase the awareness of Utah destinations and events to local residents, as well as to national and international residents. The division's press kit is slated to be accessible on-line to facilitate increased media inquiries. The agency's instate communications director writes and distributes news releases, compiles a comprehensive calendar of events, and participates in a series of 13 live and taped weekly radio shows on a network of Utah stations. The annual and weekly events calendars are distributed to the news media, lodging properties, state employees, and tourism offices. The information is also

recorded on a voice mailbox (soon to be streamed on the Internet) and is updated weekly on the agency's web site at [www.utah.com](http://www.utah.com). Tourism offices and event organizers around the state are encouraged to take advantage of this "free" publicity. Promoters often comment on how the agency's efforts have helped boost attendance, especially in rural parts of the state.

## Section IV



# Advertising



## Advertising - It's All About Awareness

The *Utah!* Brand has evolved and advertising strategies have been revised as a result of research and planning activities. In 1996, The Utah Travel Council conducted research to discover what motivated potential vacationers. The research revealed that potential vacationers seek an escape from their everyday routines, rejuvenation or reconnection to loved ones and discovery of new experiences. In 1999, the Utah Travel Council followed up the prior research by testing selected ads in target markets in California. In addition, the 1999 research examined consumers' feelings and perceptions of Utah. Results indicated that the ads were very well received and the messages were valid. However, few respondents had actually seen any Utah advertising. Thus, the current challenge is increasing the exposure and reach of the *Utah!* Brand.

Other valuable insights from the 1999 research are as follows: First, it showed that Utah has not substantially differentiated itself from neighboring competing states. Most Western states are thought to be beautiful, family-oriented, uncrowded, adventurous, and conservative. Secondly, respondents' perceptions of Utah centered primarily on the cultural values of the state associated with The Church of Jesus Christ of Latter-day Saints and conservative family values. Recreationally, skiing is top-of-mind for most respondents when thinking about Utah. Finally, many respondents thought of Utah as being slower-paced. Unfortunately, some respondents still indicated that Utah was an unfamiliar place to them; consequently, the images and perceptions they expressed were either stereotypical or uncertain. Through education, Utah can

create and build a positive relationship that encourages visitation to the state for this group of people.

The goal of the advertising is to associate the *Utah!* Brand with the emotional benefits potential travelers seek when vacationing.

## **How We Tell Them**

The Utah's Travel Council's advertising strategy represents a combination of geographic and other demographically targeted messages that communicate a central theme based on the values and identity of the *Utah!* Brand. The communications message focuses on the emotional motivations that drive people to make leisure destination choices: escape, rejuvenation/reconnection and discovery. Further efforts for the 2000 campaign focused on differentiating Utah's communications and thereby its vacation product from competing states. The strategic objective of our campaigns is to select communications mediums that will generate the most exposure the most efficiently.

## **The Strategy**

- Promote Utah as a year-round destination
- Increase Visits to Utah.com
- Increase Utah tourism revenue throughout the state
- Maintain design continuity between summer and winter campaigns
- Continue leveraging with co-branding and co-op partners

## **Primary Target**

- Adults 25-54
- HHI of \$75,000+
- Frequent travelers interested in certain outdoor activities

- Emphasis on Western States

## **Winter 1999-2000 Campaign**

Metro Traffic is a great medium to achieve strong reach with an immediate message. One of the goals during the winter campaign was to target the impulsive visitor. The message of the ad prompted visitors to visit [utah.com](http://utah.com) or call 1-800-UTAH-FUN to plan and book a ski vacation during the first quarter of 2000. The metro traffic campaign ran in January for four weeks in Los Angeles, San Francisco and Dallas. Market selection was based on population, age, snow-skiing activity, frequent flyer/traveler and outdoor interests.

Utah's Travel Council inserted 1/2-page magazine ads in four horizontal publications – Outside, Sunset, Conde Nast Traveler, and National Geographic Adventure. The ads inserted in January 2000 editions. In addition to the horizontal ads, UTC also placed ads in two ski verticals – Ski and Skiing. The inserts consisted of half-page, four-color ads in the months of November and January. The message in all the publications promoted [Utah.com](http://Utah.com) as the headline.

The final element of the winter campaign was Internet mediums. Utah sent newsletters via e-mail on [mountainzone.com](http://mountainzone.com) to 200,000 recipients. Additionally, banners ran on NetPulse (Internet terminals located in health clubs in Los Angeles and surrounding areas). Both Internet activities occurred in January of 2000.

## **Spring 2000**

For spring 2000, the Utah Travel Council used co-branding and co-op strategies with several partners. These included magazine inserts with JVC and Ford in the May issues of Outdoor Photographer and Sunset respectively. Six-page inserts in Architectural Digest, Conde Nast Traveler and Gourmet appeared in the May or June issues. Additionally, spot cable advertising was used in San Diego and Seattle and metro traffic ads were repeated in Los Angeles and San Francisco. The spot cable and radio metro ads were run during May and June.

## **Fall 2000**

During Fall 2000, The Travel Council used special funds, which we had requested and received from the Legislature for the purpose of placing ads that tied the Utah Brand clearly to the upcoming 2002 Olympic Winter Games.

This funding and the resulting media buy represented our taking advantage of a practice with growing importance in leisure sector advertising. To put it in the vernacular, it was an exercise in the ability to “turn on a dime”. The funding for this advertising was not planned for, and the resulting production and placement of two 30-second television advertisements involved scanning the marketing opportunities available at the time, and moving quickly to secure the most effective option of sending an important and timely message.

Though the ads focused on the Olympics, they also were in line with our overall themes of Discovery and Recovery. The ads were different in one particularly important way. They marked a return to television advertising, something UTC budgets have prohibited for many years.

The ads, dubbed “Mountains” and “Cowboy Luge” were shown during the Sydney, Australia Olympic Summer Games on KNBC in the Los Angeles market, one of our major target areas.

The ads called specific attention to the Olympic Winter Games, and (with the permission of the SLOC) carried the visual symbols associated with the Salt Lake City Games. In addition they had a dominantly stated message identifying Utah as a destination “before, during, and after the Olympic Winter Games”.

Future advertising plans include additional use of these television ads as resources and opportunities become available. Particular attention will be focused on chances to use these advertisements in leveraged opportunities with official Olympic sponsor companies.



## 2000 Advertising Campaign Summary

Medium	Specific Buy	Market	Net Reach	Timing
Radio	Metro Traffic Report	Los Angeles	11.3 Million	January 2000
		San Francisco	4.9 Million	January 2000
		Dallas	3.6 Million	January 2000
		Los Angeles	11.3 Million	May/June 2000
		San Francisco	4.9 Million	May/June 2000
Television	Spot Television and Cable	San Diego	2.0 Million	June 2000
		Seattle	2.9 Million	June 2000
		Los Angeles	11.3 Million	September 2000
Magazine	Outside	National	550,000	January 2000
	Sunset	National	1.4 Million	January 2000
	Conde Nast Traveler	National	750,000	January 2000
	National Geographic Adventure	National	300,000	January 2000
	Ski	National	425,000	January 2000
	Skiing	National	400,000	January 2000
	Outdoor Photographer	National	211,000	May 2000
	Gourmet	National	850,000	May 2000
	Architectural Digest	National	800,000	May 2000
	Conde Nast Traveler	National	750,000	May 2000
	Sunset	National	1.4 Million	June 2000
	American Heritage	National	310,000	May/June 2000
	Grays Sporting Journal	National	30,000	Fall 2000
Internet	Mountainzone.com	National	200,000	January 2000
	NetPulse	Los Angeles	NA	January 2000
Newspaper	Chicago Tribune	Chicago	6.5 Million	February 2000

Source: Harris & Love - Many buys are co-ops in which UTC was a partner

## Utah.com

The Internet continues to be an integral part of the *Utah!* Brand's marketing mix and look. Typically Utah.com is positioned as the dominant contact source in all of our advertising. The site interacts with travelers by providing a comprehensive look at Utah while allowing visitors to plan their vacation here. Utah.com is an increasingly relevant aspect of the advertising mix.

Constant improvements on the site ensure accuracy and timeliness of information. Projects such as search-engine updates allow us to be certain we are

registered as an information source with every possible search tool. Other ideas being explored include spot buys of banners or links on popular travel sites allowing users access to utah.com on a “click through” basis.

## **Making Utah.com Work For You**

Your organization is welcome to buy a link, sponsorship or banner on utah.com. This gives you the ability to advertise in a larger arena and, thus, draw from a focused audience that is already interested in Utah. It allows you to push a specific place or service when the Web visitor is in a planning mode rather than the visitor receiving general information about the area. There are several opportunities to advertise in the lodging section, activities section, etc. Also, if your information is not listed on the site, please contact utah.com about the possibility of including it, 801-356-9077.

## **Want a Part - Co-branding**

Over the past couple of years, Utah has been co-branding with national brands. These partnerships are an ideal way to combine brands and have both entities benefit together more than they would alone. The corporate partner or brand receives the benefit of being associated with the Utah image and an “endorsement” from the state. Utah benefits from increased visibility among consumers, particularly those loyal to a brand, as well as additional dollars to increase the scope of the campaign.

The Utah Travel Council seeks to continue these types of partnerships. We are also very interested in partnering with Olympic sponsors in order to focus attention on their Olympic advertising and to help further the ideals represented by the Olympic movement.

The Travel Council would eventually like to evolve to a true co-branding campaign where instead of sharing space but having separate ads, we would have joint ads with selected corporate entities. Magazine, radio, television, and Internet advertising are also among the options being considered.

## **Partners Wanted/Co-op**

The Utah Division of Travel Development promotes joint public/private marketing efforts to add synergy and expand the reach of the state and individual marketing organizations. The Utah Travel Council welcomes participation in the plans or other marketing options from organizations.

The following is an example of co-op advertising:

- In Spring/Summer of 1999 and 2000, UTC joined with a Utah lodging facility to promote both brands. The ad included a lodging package and promoted [utah.com](http://utah.com).

Other project partners involve resorts, destinations and individual entities. We look forward to organizing a partnership with your association to extend one another's dollars in a targeted and beneficial manner to promote Utah.

## **Recent Creative Executions**

## **Section V**



# **The Big One – 2002**



## 2002 Salt Lake City Olympic Winter Games

The Division of Travel Development's Five Point Olympic Legacy Plan is part of the Department of Business and Economic Development's Olympic Legacy Strategic Plan. The objective of the Five Point Olympic Legacy Plan is to help the Division and its partners...

"Take advantage of the state's unique opportunity to leverage the 2002 Olympic Winter games, creating an economic legacy that remains long after the games are over and benefits all areas of the state."

### Action Items

1. Contribute to, and to the extent possible, help enhance the Utah! Brand image through media coverage.
  - Seek to place stories that represent Utah's colorscape and geophysical balance, its statewide culture, and unique heritage
  - Facilitate, support and provide assistance, referrals, and information to media professionals
  - Organize and conduct select media familiarization tours
  - Establish and operate, with partners, the Utah Media Center as a) a referral and assistance office prior to the games; b) a working newsroom facility during the games
2. Encourage, promote and provide increased hospitality training to Utah's tourism community and general citizenry.
  - Seek ways to streamline, expand and enhance the Utah SuperHost program to a higher level and wider use
  - Work with other programs, i.e., Visitor Information Services Coalition, to influence and participate in portions of the hospitality training for those providing visitor services before and during the Olympics
3. Collaborate and facilitate statewide visitor information.
4. Conduct research to measure the effect of the games on economic impact in the state and awareness of the state.

5. Leverage the ability of the 2002 Olympic Winter Games to attract capital to needed destination development.

## **The Olympics and You**

Utah's Travel Council will present opportunities for you to interact with us in preparing for the 2002 Olympic Winter Games. We will operate and maintain an interactive Olympics link on our Web site ([www.dced.state.ut.us/travel](http://www.dced.state.ut.us/travel)). This Web page will function as both an information clearinghouse and a medium for collaborative planning efforts. The site will offer links to Olympic-related information and include a means for providing feedback on current projects, suggestions for future efforts, and sharing your plans for Olympic activities.

As the Olympic Winter Games approach the tourism industry throughout the state will face communication challenges. The key to "besting" these challenges is to develop the ability to change directions as marketing opportunities become available. In order to maximize promotion of individual areas of the state, and promote the Utah! Brand in the optimal way, counties, travel regions, and Utah's Travel Council all must plan promotional budgets that contain some "floating" funds, available to take advantage of fortuitous, but unanticipated marketing opportunities.

## **2001 Advertising Plan**

Utah's Travel Council will continue to leverage their dollars with a general call for partners for our yearly campaigns. Ad hoc projects will be actively requested. The goal is to produce integrated creative, media and targets. Specific details will be available as each campaign is launched.

## **2002 Advertising Plan**

Year of the Olympics

We will be producing a campaign in early January as a last push to bring visitors to Utah prior to, during, and after the Olympics.

Based on previous information from previous Olympic host cities, we have found that visitation is usually dramatically less the year of the games. We want to counter that with high visibility to foster year-round visitation.

We will also look for opportunities to join with Olympic sponsors, corporate sponsors and local partners in promoting the state of Utah to the world.

## Section VI



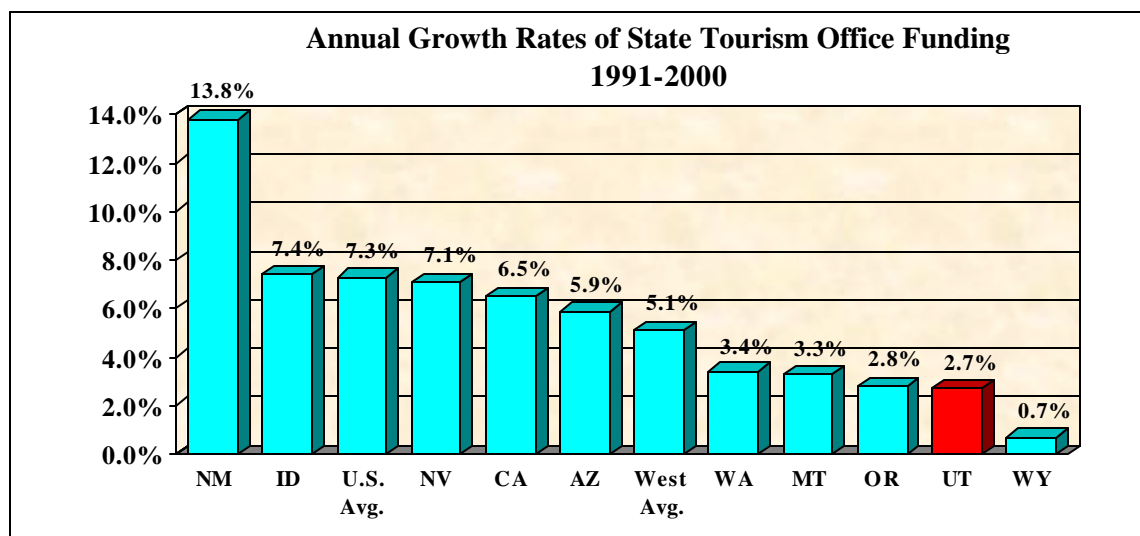
# Funding





## Long Term Competitive Funding Environment & Goals

Increasingly, states around the country are recognizing the value and importance of tourism to their local economies. Many states have experienced a significant increase in the amount of funding afforded them by their respective state legislatures. The additional funds permit more intensive promotional efforts designed to increase awareness that will ultimately drive visitation and additional traveler spending. With the additional funding granted by the state legislature through one-time supplemental appropriations in each of the past two years, Utah has been able to increase its marketing budget. However, Utah has not kept pace with neighboring states. Among Western States, the average state tourism office budget has increased more than twice as much as Utah's state tourism office budget since 1991 (57.1% vs. 26.6%). In fiscal year 2000, Utah's state tourism office budget of \$5.6 million was only 75% of the average state tourism office budget of \$7.5 million among all Western States. Further, Utah lags even farther behind its primary competitors (Arizona, Colorado and New Mexico) with funding levels that are less than 60% of those of our competitors.



We are faced with the critical decision of whether to remain competitively positioned to increase quality tourism growth throughout the state. The above data indicates that the Utah Division of Travel Development currently operates at a competitive disadvantage compared to other state tourism offices in the United States. In fiscal year 1985/86, Utah's state tourism office funding was 94% of the U.S. average. By fiscal year 1999/00, that funding had fallen to a mere 44% of the U.S. average. The \$5.6 million budget of the Utah Travel Council in fiscal year 1999/00 ranked sixth of eight Western states and ninth of eleven expenditure-based competitors.

Ideally, Utah's funding should be competitive with both groups, allowing it to compete among its regional destination competitors as well as its market share competitors.

State Travel Office Budget Comparisons - Fiscal Year 1999-00 (Millions)		
Western State Competitor	Budget	Rank
California	\$13.20	1
New Mexico	\$12.87	2
Nevada	\$9.38	3
Arizona	\$8.85	4
Colorado	\$7.30	5
Montana	\$6.84	6
<b>Utah</b>	<b>\$5.64</b>	<b>7</b>
Idaho	\$5.31	8
Wyoming	\$4.41	9
Washington	\$3.88	10
Oregon	\$3.12	11
Western State Average	\$7.35	
U.S. Average	\$12.88	
Expenditure Market Share Competitor	Budget	Rank
Iowa	\$17.59	1
New Mexico	\$12.87	2
Mississippi	\$12.68	3
Arkansas	\$11.40	4
Oklahoma	\$9.67	5
Alabama	\$8.79	6
Kentucky	\$7.18	7
Connecticut	\$6.09	8
<b>Utah</b>	<b>\$5.64</b>	<b>9</b>
Kansas	\$4.50	10
Nebraska	\$3.29	11
Competitive Average	\$9.06	

Research has indicated a likely correlation between “aggressively funded” state tourism offices and increasing market share. Among Utah’s nineteen identified competitors, fifteen have aggressively increased their state funding, suggesting the likelihood of increasing their market share at the expense of those states that were not aggressively funded. The funding increases of eighteen of nineteen states outperformed Utah.

**“Research has indicated a likely correlation between ‘aggressively funded’ state travel offices and increasing market share.”**

The future of our tourism industry may depend on the ability of the state to provide an adequate funding umbrella. Recent history in Colorado illustrates the consequences of removing state tourism office funding. In 1993, the Colorado electorate voted to remove the tourism promotion tax, resulting in the closure of Colorado’s state tourism office. The consequences of the funding loss were measured by a study conducted by Longwoods International on behalf of the Colorado Tourism Board. The study highlighted several significant consequences:

- In just 2 years following the demise of the state tourism office, the number of overnight pleasure trips declined by 2.7 million, representing a 30% decrease in market share.
- Adjusted for inflation, pleasure travel spending in Colorado dropped by 15%, a decline of \$847 million.
- In 1997 alone, the loss in market share cost Colorado residents approximately \$2.4 billion in foregone tourism revenue, and over \$134 million in lost tax revenue.
- Only sectors with successful self-promotion campaigns such as the ski industry and the Denver metro area remained relatively unaffected by the loss of the state tourism office.

Colorado's experience indicates that state travel office funding is essential to maintaining tourism growth. Whereas the impacts of Colorado's funding loss were immediate, the effects of Utah's slow decline in effective real funding would likely produce a similar pattern over a longer period of time. Colorado's decline in the space of 2-3 years may provide an example of Utah's future experience over the next 10-20 years. As the real value of statewide tourism funding diminishes over time, the areas most likely to be affected are smaller businesses that comprise the majority of the tourism industry. These businesses suffer without a statewide umbrella, especially in rural areas where a lack of size and available resources prevent self-contained promotion efforts.

Another state's experience, Hawaii, indicates the positive effect increased state funding can have on a state's tourism industry. Faced with competitive pressures from other mega-resort destinations as well as a slowdown in its tourism industry, Hawaii increased its promotional funding in 1997 through a special appropriation of \$10 million to conduct a 2-year advertising campaign. In addition, Hawaii legislators created the Hawaii Tourism Authority with a dedicated funding source to "manage the strategic growth of Hawaii's visitor industry." Although the 2-year campaign is not yet completed, published results of the first 14 months are very encouraging:

- The promotional campaign generated an additional 695,000 trips to Hawaii through the first 14 months, resulting in an estimated \$1.1 billion in traveler spending, including \$78 million in tax revenues.
- Final results from the 2-year campaign are expected to be much larger.

Hawaii's experience indicates that effective marketing is essential to managing and promoting quality tourism growth. By committing themselves to stay competitive, Hawaii was able to effectively promote their brand identity to designated markets with great success, resulting in significant quality earnings dividends. Several components of the Utah Travel Council's Strategic Plan mirror the strategic direction adopted by the Hawaii Tourism Authority, including the priority of quality earnings, the desire to drive a brand identity and the focus on specific markets. With a similar devotion to remain competitively funded, Utah could expect substantial dividends from its marketing investments.

The experiences of both Colorado and Hawaii indicate the importance role of the state tourism office in statewide tourism promotion. Further research suggests that aggressive expansion of the state travel office budget would likely generate significant economic returns to the residents of the state, including additional business profits, more jobs, larger payrolls and higher tax revenues. Without such expansion, Utah's state tourism office funding will fall farther behind its competitors and the tourism industry in Utah may experience some short-term buoyancy, with some sectors able to effectively engage in long-term self-promotion, but ultimately the smaller businesses that comprise the largest portion of Utah's tourism system will likely suffer from the diminishing statewide umbrella.

## Section VII



# Research & Planning



## Research and Planning

The research and planning programs are closely integrated activities that support marketing efforts with applied research and long-term strategic planning. Overall, they facilitate agency decision-making and help fulfill the Division's and the Department of Community and Economic Development's missions that focus on protecting and enhancing quality of life and building a solid economic environment by increasing the economic benefit of tourism. The strategic plan serves as a guide for prioritizing and developing annual program work within the Division, and research provides a background for formulating program goals as well as a measurement mechanism for program effectiveness.

Applied research information is obtained through in-house research projects and subscriptions to nationally acclaimed research data with the intent to provide the best quality, low-cost information on tourism issues and trends. Equally important is to provide entrepreneurs, investors, local tourism officials and the public at large with up-to-date statistics and visitor profiles used in business plans and local planning efforts.

Two important outputs of the research and planning programs are the ***Research Series*** and ***Road Map for Destination Tourism, a Long-Range Strategic Plan for Tourism Development***.

### Research Series

The Research Series consists of all the surveys, studies and statistical profiles completed in-house by the Utah Division of Travel Development or conducted by outside organizations on behalf of the Division. The purpose of the Research Series is

to improve the understanding of the size and impact of the travel industry in Utah and to assist in focusing both public and private resources to enhance the economic contribution of tourism and travel to the state's economy.

An outline of research projects and timing follows (subject to change) and reflects the current priorities of the Division.

**Domestic and International Visitor Profiles:** Domestic visitor data are acquired biannually through a nationwide household survey conducted by D.K. Shifflet & Associates, Ltd. and provided contractually to the Utah Travel Council. International visitor data are compiled every three years through a special data analysis by the U.S. Department of Commerce of the In-Flight Survey data. Domestic and international visitor profiles include market demographics, travel patterns and purposes.

**state and County Economic and Travel Indicator Profiles:** This annual publication reports the annual economic contribution of tourism to the state and each of Utah's 29 counties including visitor spending and tax revenues, tourism related employment, major visitation counts and land ownership and historical trends. The report is compiled with data from a various sources statewide (e.g., Utah State Tax Commission, Utah Department of Workforce Services, National Park Service, etc.).

**Utah Skier Survey:** A survey is conducted every three years in cooperation with Ski Utah and other area partners. The survey tracks skier trends and demographics and explores new issues for the Utah ski industry, including the growth of snowboarding, the impact of technology, and the impact of the 2002 Olympic Winter Games.



**Travel and Tourism Trends:** Each year, the Division collects information on travel and tourism industry trends from several local, national and international sources (i.e., Travel Industry Association of America, Travel and Tourism Research Association, World Travel and Tourism Council, etc.). The travel and tourism trends represent a synthesis of the major trends within the industry, with particular attention dedicated to industry developments that may influence Utah's tourism market.

**Utah Travel Barometer:** This research and planning newsletter highlights new Division research, trends within the industry and recent events affecting travel and tourism in Utah. It is distributed to over 1,500 industry partners in government, private industry and academia.

**Community Meeting Series:** Regular community meetings are held to strengthen communications between state and local entities and to facilitate integration of state and local tourism planning. The meetings provide a forum for sharing ideas and solutions regarding common tourism opportunities and challenges. Additionally, they provide the Division with an opportunity to promote and gather feedback on sustainable tourism development around the state.

**Ad Hoc Studies on Miscellaneous Tourism Topics:** Additional research on tourism-related topics is conducted as resources allow. Examples of ad hoc research conducted in recent years include market prioritization and segmentation, tourism jobs and job quality, perceptions and motivations of Utah visitors, Utah's international image and research on Utah's tourism market share.

Many of the research publications are available on-line at the Division's website: [www.dced.state.ut.us/travel](http://www.dced.state.ut.us/travel). The Division also maintains a research library of local, national and international sources that improve the understanding of the tourism industry. For additional information on the research program of the Utah Division of Travel Development, call the Division's Research Coordinator at 801-538-1317.

## **Long-range Strategic Plan**

The Division's Road Map for Destination Tourism is the Division's Long-range Strategic Plan for Tourism Development. It represents the Division's economic blueprint for tourism strategic action. As a "living" document, the plan is constantly being informally evaluated by the Division's Board of Commissioners and staff as well as by members of the tourism industry. A formal evaluation and revision will be conducted during the 2000-2002 period. The Strategic Plan provides overall direction for the Division and is designed to support and encourage proactive decisions regarding tourism growth and development in all areas of the industry. Some components of the Strategic Plan are treated in specialized documents, which can be obtained through the Travel Council. For more information on the Long-range Strategic Plan call the Division's Planning Coordinator at 801-538-1373.

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# *Utah!*

**[www.utah.com](http://www.utah.com)**

**[www.dced.state.ut.us/travel](http://www.dced.state.ut.us/travel)**

**1-800-200-1160**

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